

RECORD RETENTION PERIODS FOR MONTANA STATE-CHARTERED CREDIT UNIONS

APPENDIX “A” TO MONTANA ADMINISTRATIVE RULE 2.59.405 RETENTION OF CREDIT UNION RECORDS

Proposed: December 11, 2006

This Appendix lists minimum retention periods for many types of credit union records. The list is not all-inclusive, but includes most common types of corporate, accounting and customer relationship records maintained by credit unions. For ease of reference, records may be listed under more than one heading. If a retention conflict exists between the rule and other laws or rules, whether federal or state, the law or rule requiring the longer retention period shall govern.

For those records not listed in this publication, there may be specific other laws that govern (personnel records for example). If no other specific guidance exists, credit union management should establish appropriate retention periods, in consultation with the credit union’s board of directors, credit union accountants and credit union counsel when appropriate.

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NOTE: *ACC = After Account Closed*
AEAA = After Examination and Audit

Accounting Records

Retention Guidelines

Accrual Records	3 years
Asset/Liability Management records	3 years
Audit (internal and external) Report	Permanent
Audit (internal) work papers	3 years
Budget Report	2 years
Call Reports (5300's)	Permanent
Charged-off asset records	Permanent
Deferred Loan Fee Record	2 years after examination
Dormant account records	Permanent
Escheated Documents	Permanent
FDIC assessment base records	5 years
General Ledger	Permanent
General ledger tickets	5 years
General Ledger Transaction Report	Permanent
Income and Dividend Reports	8 years
Journal Entries	8 years
Journal and cash record	Permanent
Reserve requirement computations	2 years
Monthly Loans Purchased Report	8 years
Monthly Loans Sold Report	8 years
Overdraft reports	5 years
Paid Bills and invoices	8 years
Paid Check/Share Draft Listings	8 years
Periodic statements of members, or the individual	
Share and loan ledger (complete copies)	Permanent
Real Estate Held for Redemption History	8 years

Statement of Condition, including balance Sheet and income statement:	
Daily	2 years
Annual	Permanent

Administrative and Corporate Records

Retention Guidelines

Affidavits	7 years
Annual Reports to Members	Permanent
Application for Membership	Permanent
Articles of Incorporation	Permanent
Attachments (garnishments, liens, levies)	4 years after close
Audit Reports (External)	Permanent
Audit Reports (Internal)	6 years
Ballots and Proxies	6 years
Bank Reconciliation	Permanent
Branch Applications	Permanent
Bylaws and Amendments	Permanent
Certificates or licenses to operate under programs of various government agencies, such as a certificate to act as issuing agent for the sale of U.S.	
Savings Bonds	Permanent
Charitable contributions	7 years
Charter	Permanent
Civil Actions	8 years
Contracts and leases	8 years after termination
Corporate charter	Permanent
Corporate Bylaws	Permanent
Court case records	4 years after satisfaction
Court Orders	8 years
Credit Union examiners records	Permanent
Director reports (if separate from minutes)	3 years
Examination reports	Permanent
Executive Officers	Permanent
Indebtedness to correspondent Credit Unions record	3 years
Executive committee reports (if separate from minutes)	3 years
Insurance Claims	Permanent
Insurance Records:	
blanket bond	6 years after expiration
D & O liability policy	6 years after expiration
Group disability policy	6years after expiration

Journal of Destroyed Records	Permanent
Journal of Microfilmed Records	Permanent
Legal Correspondence	8 years
Legal/Tax Decision or Ruling	Expiration
Licenses and Permits	8 years after expiration
Loans to executive officers and directors	3 years
Minutes of Board of Director Meetings	Permanent
Minutes of Credit Committee Meetings	Permanent
Minutes of Membership Committee Meetings	Permanent
Minutes of Supervisory Committee Meetings	Permanent
Supervisory Committee comprehensive annual audit report And attachments (one copy of each)	Permanent
Supervisory Committee Record of Account Verification	Permanent
Tax Returns/Reports	8 years

Bank Secrecy Act (BSA)

Retention Guidelines

All Required Forms and Records	5 years
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Corporate Credit Union and Bank Borrowings

Retention Guidelines

Borrowing agreements	2 years after expiration
Collateral receipts	3 years after payoff
Correspondence	2 years after payoff
Notes	2 years after payoff
Verification	2 years after payoff
Withdrawal receipts	2 years after payoff

Credit/Debit Cards

Retention Guidelines

Account History	6 years AAC
Applications:	
Approved	6 years AAC
Denied	25 months
Charged-off loan records	Permanent
Correspondence	3 years
Credit files	3 years
Disclosure statements	2 years
Merchant agreements	6 years
Payment records	6 years

Sales tickets or drafts:	
By-product of posting	2 years
Used as original entry	6 years
Statements:	
Cardholder	6 years
Merchants	6 years
Transaction journals:	
By-product of posting	2 years
Used as original entry	6 years
Trial Balances	3 years

Collateral

Retention Guidelines

Collateral receipts	2 years after payoff
Collateral register	4 years
Pledge agreement	2 years AAC

Collections

Retention Guidelines

Collection letters and receipts (incoming and outgoing)	2 years
Collection register	3 years
Collection note register	2 years after close
Coupon cash letters (outgoing)	6 months
List of cash items	1 year after collection
Savings bond records	3 years

Commercial/Member Business Loans

Retention Guidelines

Annual financial reports and customer operating statements	6 years
Applications:	
Approved	6 years AAC
Denied	25 months
Appraisals	1 year AAC
Bankruptcy Notices	Permanent
Borrowers' financial statements	3 years
Canceled notes	3 years
Charged-Off-Notes and Records	Permanent
Collateral Records and Receipts	5 years AAC

Correspondence	6 years AAC
Credit Files	5 years AAC
Debit and credit tickets	1 year
Disbursements vouchers	6 years
Disclosure records	3 years
Judgments	20 years
Credit committee minutes	6 years
Loan Histories	6 years AAC
Note (Paid)	6 years AAC
Overdraft loan agreement	6 years AAC
Participation agreement	6 years AAC
Pledge agreement	6 years

Consumer Loans

Retention Guidelines

Applications:	
Approved	8 years AAC
Denied	25 months
Bankruptcy Notices	Permanent
Borrowers' financial statements	3 years
Canceled notes	3 years
Charged-Off-Notes and Records	Permanent
Collateral Records and Receipts	8 years AAC
Consumer Credit Drafts	8 years
Correspondence	3 years
Credit Files	8 years AAC
Dealer Commitment Letters	8 years
Dealer Ledgers	2 years
Dealer Remittance Sheets	1 year
Disclosure Statements	2 years
Insurance verification	7 years AAC
Credit committee report	6 years AAC
Loans paid report	6 years
Loan Payment Record	8 years
Loan Policies	Permanent
Loan worksheet	7 years
Note or discount tickler	2 years
Notice of Adverse Action	25 months
Overdraft Loan Agreement	8 years AAC
Paid Notes	8 years AAC

Rebate Receipt	6 years
Rejected Credit Files:	
Applications	3 years
Correspondence	3 years
Credit Reports	3 years
Resolution	8 years AAC
Student Loan Records	8 years AAC

Corporate Credit Union/Due From Bank Accounts

Retention Guidelines

Advices	2 years
Drafts	1 year after paid
Reconciliation register	3 years
Statements	2 years

Electronic Data Processing

Retention Guidelines

Computer Control Report	1 year
Computer Entry Journal	1 year
Computer Files:	
On-line CRT	3 cycles
On-line Terminals	3 cycles
Computer Ledger Control	1 year
Computer Reject Listing	1 year
Computer Transaction Journal	1 year
Internal Control Documents:	
Computer Operating Logs	3 months after exam
Input and Output Logs	3 months after exam
Run Books	3 months after exam
Overdraft Notices and Reports	1 year
Program Documentation	Life of Program + 1 year
Program Change Log	Life of Program + 1 year
Program Modifications	Life of Program + 1 year
Program Test Data and Results	Life of Program + 1 year
Tape Retention:	
Application Interface Tapes	5 cycles + 7 days
Application Month-end Fiche Tapes	2 cycles + 60 days
Application Transaction Tapes	5 cycles + 7 days

Daily Application Backups	5 cycles + 7 days
Fiche Tapes	3 cycles + 3 days
Month-end Application Backups	13 cycles + 403 days
System Backups	5 cycles + 7 days
Year-end Application Backups	7 years
Transactions Records:	
Discs	3 cycles
Magnetic Cards, Cells, Drums, Tapes	3 cycles

Electronic Funds Transfers

Retention Guidelines

Error resolution log	2 years
Regulation E, evidence of compliance	2 years
Wire copies or advices	5 years
Wire Transfer debit and credit entries	5 years
Wire Transfer log	5 years

Electronic Funds Transfer Act (EFTA)

Retention Guidelines

Policy or Procedure indicating that disclosures	
And other Documentation have been given	Permanent

Fair Credit Reporting Act (FCRA)

Retention Guidelines

Notice of Credit Denial (Adverse Action)	2 years
Records of Information Released to Users	
Of Credit Reports	2 years
The following records should not be reported to credit bureaus after the time stated:	
Records of Accounts Charged Off or	
Placed for Collection	No longer than 7 years
Records of Bankruptcies	No longer than 14 years
Records of Convictions, Indictments or Arrests	No longer than 7 years from end of sentence or indictment, or arrest
Records of Paid Tax Liens	No longer than 7 years
Records of Suits/Judgment	No longer than 7 years

Fixed Assets

Retention Guidelines

Building Contracts, Sub-Contracts, Waivers	8 years
Deeds	Life + 2 years
Depreciation Schedules	Life + 7 years

Insurance Policies	Term and Claim Period
Inventory Records	Life + 7 years
Invoices	Life + 7 years
Leases	Life + 6Years
Maintenance Contracts	Life + 2 years
Personal Property Returns	8 years

Home Mortgage Disclosure Act (HMDA)

Retention Guidelines

Loan/Application Register (Form FR HMDA-LAR)	5 years
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Internal Revenue Service

Retention Period: IRS regulations do not provide for a minimum retention period for information reporting forms. As a general guideline, reporting forms should be maintained for a period of seven years after the date reporting of information is required. Records may be microfilmed at any time.

Types of Information Returns (not inclusive):

- 1099-INT – Dividend Reporting
- 1099-MISC – Recipients of Miscellaneous Income
- 1098 – Mortgage Interest
- W-9 or Substitute Form for Verification of Tax ID Number
- IRA Transaction Reporting 1099-R, W2-P, 5498

Investments

Retention Guidelines

Bond amortization records	6 years
Bond appraisals	3 years
Bond ledger and portfolio:	
Confirmations	3 years
Correspondence	3 years
Safekeeping records and receipts	4 years
Brokers' invoice	3 years
Brokers' statements	3 years
Credit information used to evaluate securities	3 years
Descriptive literature on securities	3 years
Discount brokerage account records	3 years
FHLMC loan files	Permanent
GNMA certificates	7 years after maturity or sale

Government securities broker/dealer	
Form G-FIN-4	3 years AAC
Lost or stolen securities (Form X-17-1A)	3 years
Monthly remittance reports	7 years after maturity
Mortgage backed securities:	
Buy and sell agreement	3 years after maturity
Commitment letter	3 years after maturity
Prospectus for securities	3 years after maturity
Safekeeping records and receipts	4 years AAC
Securities transaction records	4 years

Official Checks, Drafts, Certified Checks

Retention Guidelines

Affidavits, Bonds of indemnity and all pertinent information pertaining to issuance of duplicate checks	Permanent
All official checks – copy	8 years after paid
Cashiers check – paid	6 years
Cashiers check register, after payment:	
By-product of posting	2 years
Used as original entry	7 years
Checks Paid (any kind)	8 years
Certified check Register (after payment)	
By-Product of Posting	2 years
Used as Original Entry	6 years
Drafts paid	6 years
Drafts register, after payment:	
By-product of posting	2 years
Used as original entry	6 years
Expense Vouchers Debit Invoices	5 years
Interest and dividend checks paid	6 years
Money Orders, Paid	6 years
Money Order Register (after payment)	
By-Product of Posting	2 years
Used as Original Entry	6 years
Stop Payment Correspondence	8 years
Travelers checks (agency purchase)	2 years

Operations

Retention Guidelines

Proof/Clearing/Transits Advices of Corrections of Deposit	2 years
Clearinghouse Settlement Sheets	2 years
Corrections and Adjustments	2 years
Departmental or Tellers' Proof Sheets	2 years
Deposit Proof Sheets or Tapes	2 years
In clearing Envelope, Proof Sheets	2 years
Out Clearing Proof Sheets or Tapes	2 years
Outgoing Cash Letters	2 years
Return Item Letters, Checks Not Paid	2 years

Personnel

Retention Guidelines

Advertisements	2 years
Applications Declined	2 years
Employee Benefit Plans	
Applications	Employment + 3 years
Benefit Committee Minutes	Permanent
Benefit Plan	Life + 5 years
Claim Records	6 years
Group Policies	Life + 2 years
Pension Plans & Annual Reports	Permanent
Profit Sharing Plan & Records	Permanent
Employment History Record	
Personnel Action Records	Employment + 2 years
Salary Contracts	Employment + 6 years
Time Cards	7 years
Work Schedules	2 years
Tax Information	
940,941,941C, W-2, W-3, W-4	7 years
Unemployment Compensation	
Claim Payment Records	5 years
Claims	5 years
Fund Records	5 years
Workmen's Compensation	
Policy	Life + claim period
Record for Claims	5 years after settlement

Proof, Clearings and Transit

Retention Guidelines

Advices of corrections to deposits	2 years
Balancing Forms	2 years
Clearinghouse settlement sheets	2 years
Copies of advices of corrections	2 years
Corrections and adjustments	6 months
Departmental or teller's proof sheets	1 year
Deposit proof sheets or tapes	1 year
In clearing envelope, proof sheets or tapes	1 year
Out clearing (cash letters) proof sheets or tapes	1 year
Return item letters, checks/share drafts not paid	1 year

Real Estate Loans

Retention Guidelines

Applications:	
Approved	6 years AAC
Denied	25 months
Appraisals	1 year AAC
Assumptions:	
Assignment of escrow	Life of loan
Assumption letter	Life of loan
Annual reports and customer statements	7 years
Change of address records	1 year
Charged-off records	Permanent
Collateral files	5 years AAC
Commitment letters	5 years AAC
Construction loan forms:	
Construction progress certification	7 years AAC
Contractor's cost breakdown	7 years AAC
Final inspection	7 years AAC
Loan in progress card	7 years AAC
Orders to pay contractor or vendor	7 years AAC
Residential construction inspection cards	7 years AAC
Specifications and lists of materials	7 years AAC
Correspondence	3 years AAC
Credit files	5 years AAC
Deed of trust	7 years AAC
Evidence of compliance with:	
Fair credit reporting act	25 months AAC
Home mortgage disclosure act	5 years AAC

Flood insurance certificate	Life of loan
Insurance policies	1 year after expiration
Lenders request of termination of home mortgage insurance	7 years AAC
Loan agreement	5 years AAC
Loan committee minutes	6 years
Loan origination case file (HUD/FHA)	2 years AAC
Loan settlement statement	7 years AAC
Loan subordination agreement	7 years AAC
Mortgage	7 years AAC
Mortgage extension agreement	7 years AAC
Mortgage payment coupons	1 year
Mortgage receipts	1 year
Notice of adverse action	25 months
Payoff statement	6 months
Payment history record	5 years AAC
Promissory note	7 years AAC
Property insurance certification	7 years AAC
Remittances, serviced mortgages	6 years AAC
Request for verification of deposit	7 years AAC
Statement of estimated settlement charges	7 years AAC
Tax bills	Life of loan

Real Estate Owned

Retention Guidelines

Accounting Records	6 years after disposal
Deeds	Until disposed of
Insurance Policies	2 years after expired
Lease and Rental Agreements	2 years after term expired
Maintenance Contracts	2 years after term expired
REO Income & Expense Records	6 years

Security

Retention Guidelines

Evidence of compliance with standards for security (NCUA Regulation 748)	2 years
Reports of robberies, burglaries, nonemployee larcenies committed or attempted	Permanent

Tellers

Retention Guidelines

Bank by mail envelopes	6 months
Cash reconciliation to general ledger	3 years
Currency transaction reports	5 years
Night Depository agreements	2 years after closed
Night depository envelopes	6 months
Night depository log	2 years
Tellers' cash tickets	2 years
Tellers' difference/outage record	2 years
Tellers' individual balancing sheets	2 years
Tellers' machine tapes	2 years
Vault records	1 year